

\$1,440,000 1st TD @ 11.50%, 60.00% LTV on ARV, 44.38% Net LTV on ARV, Construction, NOO, SFR, \$375k Funds Control, 24 Mos. Term, 6 Mos. Guar. Int., 3 Mos. Pre. Int., \$144k Min. Inv., Costa Mesa, CA 92627

369 Costa Mesa St. Costa Mesa CA 92627 United States



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Overview

Current MVI borrower and 656 FICO real estate investor developer is seeking a business purpose refinance 1st TD on this residential lot in the Newport Heights neighborhood of Eastside Costa Mesa, Orange County. Funds from our loan will be used to consolidate and payoff an existing 1st TD and 2nd TD and provide funds controlled construction funds from a very experienced crew to complete the building of the new home.

The subject property began as an older SFR on a 7,219 s.f. vacant lot. The new home and development is pending final approval by the city of Costa Mesa to soon become a 2,682 s.f. contemporary ranch style SFR. A condition of Closing this loan will be the final building Permits issued by the City of Costa Mesa. At the completion of the project, the home will be a single story 4 BR/3 BA with 7 total rooms and modern amenities. The Shore-Tech General Contractor will manage the construction and the home will be highly upgraded throughout and will having a 2 car attached garage. The property is situated in the heart of Costa Mesa just a few blocks from the Back Bay, Triangle Square and 17th St. The borrower originally purchased the property in March 2019 for \$1.075M.

100% of the \$400k Construction Budget will be held in Funds Control by La Mesa Escrow and Funds Control. The borrower has spent \$150k+ so far on Plans, Permits, Site Work and Construction items. This \$150k site specific expenditure including Grading when coupled with the \$400k construction budget equals approx. \$550k total construction budget which is approximately a building cost of \$205/s.f. When adding the Down Payment costs of \$184k, grading, permits and loan interest, the Builders "Skin in the Game" so far totals \$500k+. The exit strategy from our loan is the sale of the property upon completion.

This loan is 60.00% LTV on the MAI Appraised After Repair Value (ARV) value of \$2.4M (\$894/s.f.). Loan Structure

features 6 months Guaranteed Interest and 3 months Prepaid Interest and yields an 11.50% annualized return. Minimum investment is \$144k or 10%. The current 1st TD is with Anchor Loans and the loan matures in Sept. 2020.

What We Like:

1. Eastside Costa Mesa, OC location paying 11.50%
2. Current successful Mortgage Vintage borrower
3. Experienced Real Estate Investor and Developer
4. 1st Trust Deed at 60.00% LTV on ARV / 44.38% Net LTV on ARV
5. Approved grading plans and permits
6. 100% Funds Control of the \$375k const. budget
7. MAI Certified Appraisal
8. 6 mos Guaranteed Interest
9. 3 mos Prepaid Interest
10. Borrowers \$505k+ "skin in the game"
11. Licensed General Contractor
12. Borrower has \$143k as of July 2020 in the bank to cover any overages on construction
13. Borrower has commenced the grading of the lot

Possible Concerns:

1. New Home Construction

Management

President and Founder, of Mortgage Vintage, Inc. and CrowdTrustDeed. Mortgage Vintage, Inc. is a fast and professional direct lender specializing in bridge loans for real estate investors and business purpose borrowers looking to capitalize on market opportunities.

Mortgage Vintage, Inc. connects people who want to invest money secured by Real Estate with real estate investors and business professionals who want to borrow money. Specifically we're a Hard Money Lender placing private investment capital into well secured and well underwritten Trust Deed Investments. Our mission is to provide the highest quality Trust Deed Investment opportunities with first class service, communication and transparency.

Mortgage Vintage sells their Trust Deeds on the CrowdTrustDeed platform. CrowdTrustDeed offers individual and fractional high yield Trust Deed Investments throughout California. Investors looking to diversify their investment portfolio can achieve 8% - 12% current income returns through these real estate secured investments.



Mr. Sandy MacDougall

Financial

1. Offering Type: Debt
2. Investor Yield: 11.50%
3. Minimum Raise Amount: \$1,440,000
4. Minimum Investment Amount: \$144,000
5. Funding Goal: \$1,440,000
6. Loan Type: Business Purpose Construction Loan
7. Lender Rate: 11.50%
8. Lien Position: 1st
9. Loan Amount: \$1,440,000
10. LTV on Appraised ARV Value: 60.00%

11. Net LTV on Appraised ARV Value: 41.50%
12. LTV on Appraised As Is Value: 84.71%
13. Fractional Interests (10): \$144,000
14. Monthly Payment to Lender: \$13,800
15. Amortization/Term: 2-year / 24 Months
16. Gross Protective Equity over Appraised ARV Value: \$960,000
17. Funds Control: \$375,000 or 100% of remaining budget
18. Guaranteed Interest: 6
19. Prepaid Interest: 0
20. Credit Score: 656
21. Borrower Skin in the Game To Date: \$505,000
22. Exit Strategy: Sale of Property

Property

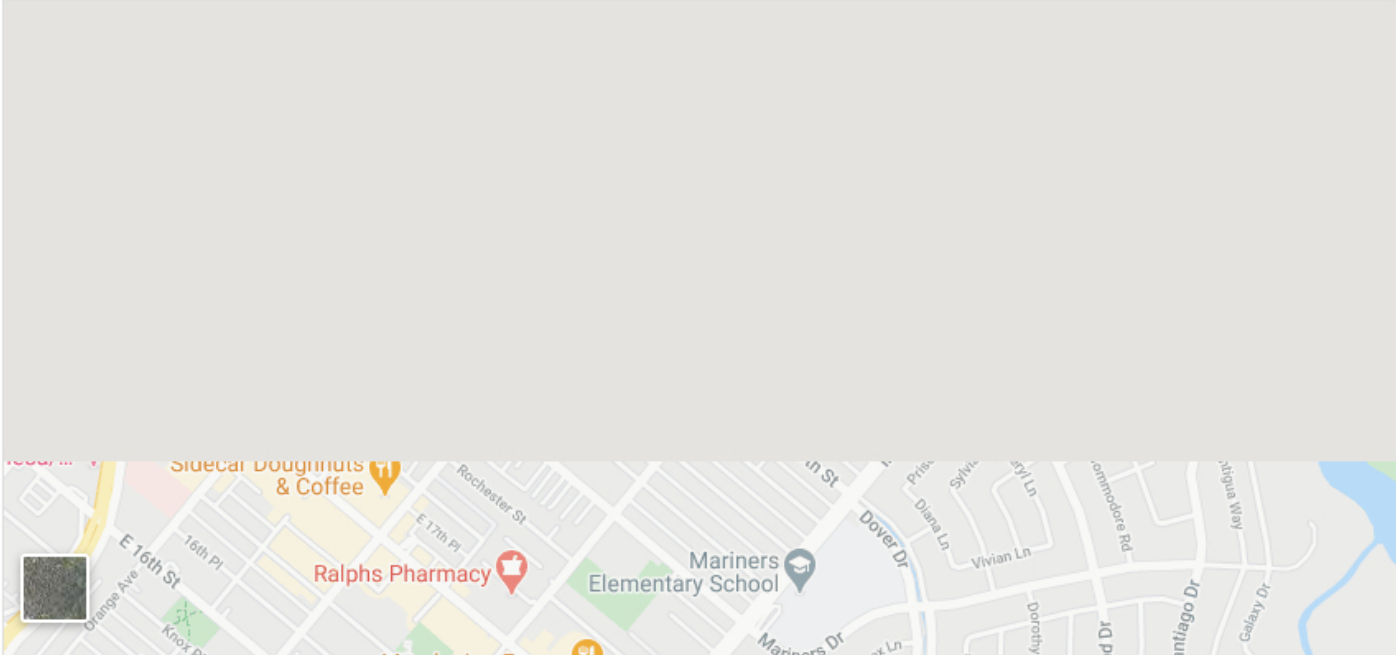
1. Property Type: Residential Lot / SFR
2. Appraised After Repair Value: \$2.4M
3. Appraised As Is Value: \$1.7M
4. Total Home SF: 2,682 sf
5. Appraised Value/SF: \$894.85
6. Lot Size SF: 7,219 or .166 acres
7. Total Room: 7
8. Bedrooms: 4
9. Bathrooms: 3
10. Stories: 1
11. Garage: Attached 2-car
12. Architectural Style: Contemporary Ranch
13. Exterior Wall: Stucco
14. Year Built: 2020
15. Occupancy: Non-Owner Occ.
16. County: Orange
17. Zoning: Residential
18. APN: 426-301-04
19. General Contractor - Robert Crawford - Shore-Tech - GC Lic. # 856735
20. Est. Closing Date: 8-31-2020



Please



see overview above.

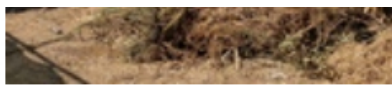


Photos



front rendering





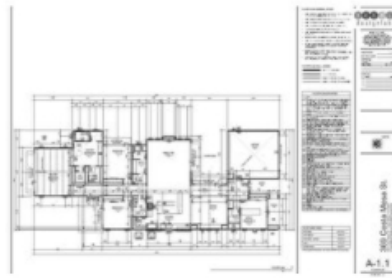
Grading Underway



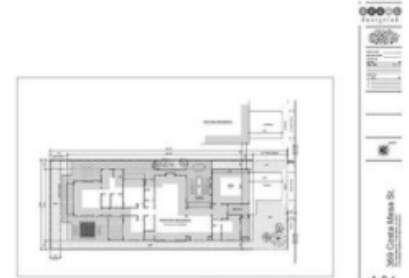
Grading started 7-10-20



front rear side elevations



floor plan



site plan



subject front



subject lot



street view 2



street view



Google Map



Google Aerial

Documents

[Rapparport_-_Escrow_Instructions.pdf](#) (pdf, 123KB)

[Rapparport_-_Handwritten_Loan_Purpose_Letter.pdf](#) (pdf, 337KB)

[Rapparport_-_Appraisal_-_2.4MM_6-12-20.pdf](#) (pdf, 4422KB)

[Rapparport_-_Preliminary_Report.pdf](#) (pdf, 358KB)

[Rapparport_-_Property_Profile.pdf](#) (pdf, 421KB)

[Rapparport_-_Value_-_Zillow__1_627_285.pdf](#) (pdf, 86KB)

[Rapparport_-_Value_-_Redfin__1_505_951.pdf](#) (pdf, 1301KB)

[369_Costa_Mesa_St_400K_holdback_budget.xls \(vnd ms excel, 30KB\)](#)

[Rappaport-_Skin_in_the_Game_Calculation_06-29-20.pdf \(pdf, 68KB\)](#)

Investor Questions

1.



Sandy MacDougall

on Jul 27

Can you please find out how long the borrower estimates the construction will take? What is the average length of time a home of this type takes to sell?

Reply



Sandy MacDougall

on Jul 27

6 months to complete and usually 60 days to sell. That can take 6 months too but I sold my last 2 in one week. Things that are built well and priced correctly sell right away Mark

Reply

2.



darius guernsey

on Jul 14

Sandy Did you get a loan application from borrower? Do you have a copy of the building permit? Also are the building plans approved by building dept? Thanks Darius Guernsey

Reply



Sandy MacDougall

on Jul 14

Yes, there is a loan application in the Dropbox. The construction permit is pending. The Grading Permit was approved and grading has commenced. We will make this loan contingent on final permit approval which the borrower anticipates will be within the next 1-2 weeks.

Reply

3.



darius guernsey

on Jul 8

Need loan app for mark rappaport. Who is the contractor, and what is his license #. Need copy of building permit. Has the building department signed off on set of building plans? Thanks Darius Guernsey

Reply



Sandy MacDougall

on Jul 14

Loan app is in the Dropbox that you will receive after a pledge. The licensed General Contractor is Shore Tech and license # is 856735. Permit question was answered above

Reply

4.



DAVID SOMOYA

on Jun 27

how much money is developer bringing to this property/project? There is no way he is completing a quality project that would sell for over \$2MM at under \$150/sf. construction cost.

Reply

1.



Sandy MacDougall

on Jul 14

Developer has spent over \$460k on the project. Building cost/s.f. is projected to be \$218/s.f.

Reply
